



# COVID-19 economic recovery planning

Senate Select Committee on Economic Recovery

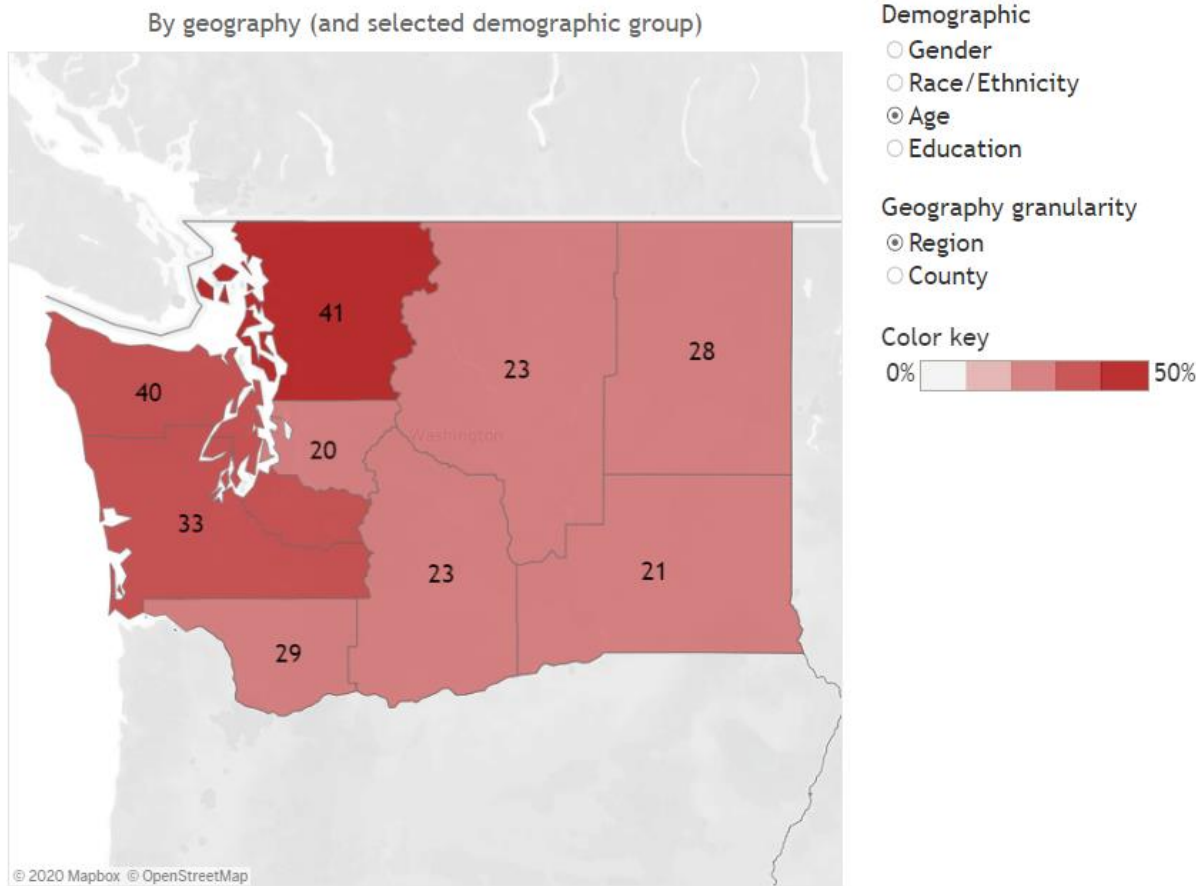
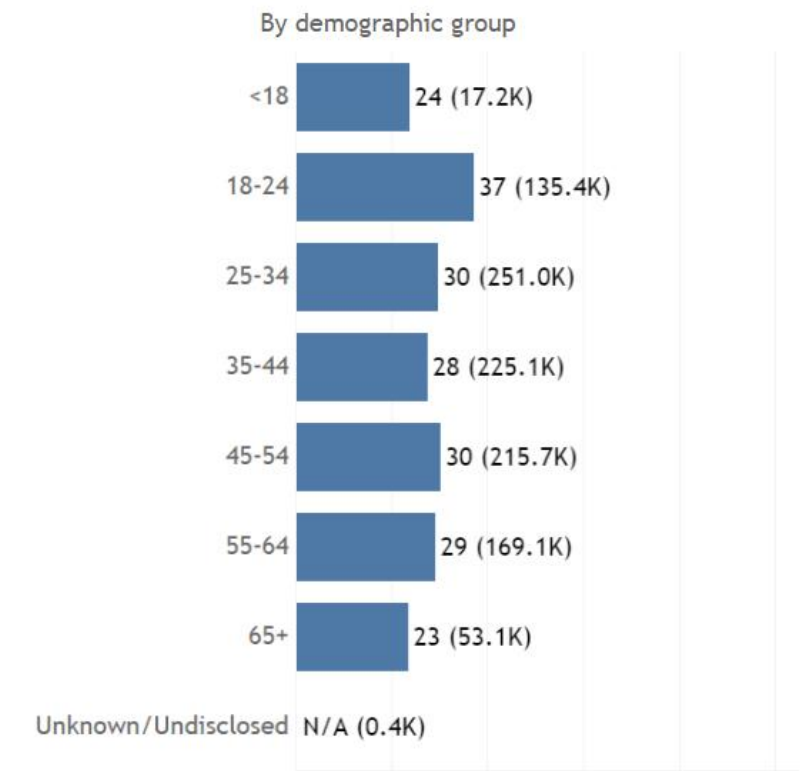
16 JUNE 2020

This presentation is guidance only. It does not constitute medical or safety advice, nor is it a formal endorsement or recommendation of a particular response.



# Washington State has seen >1M unemployment claims since March

UI Claims per 100 workers  
Since 3/1/2020



# History suggests job recovery will take multiple years

## Prior shocks (WA & other states)

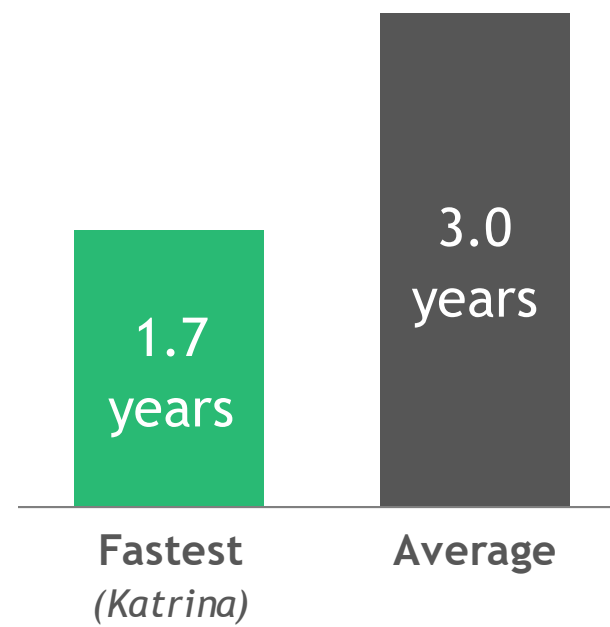
### WA State

- Great Recession (2008-10)
- Post 9/11

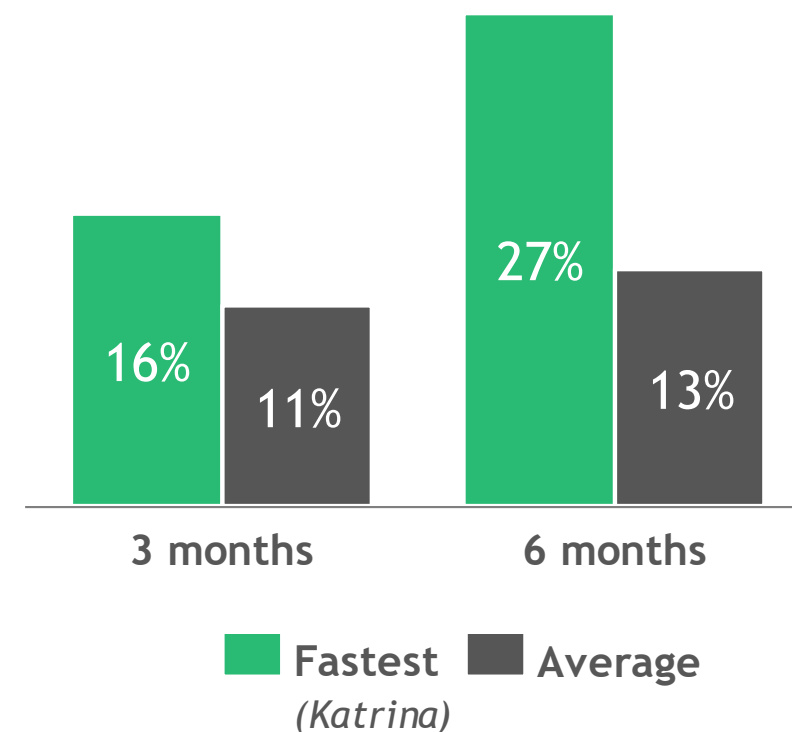
### Other States

- NY: Post 9/11
- LA: Katrina


## Multi-year recovery observed (Time from 'trough' to prior peak)



## Limited recovery in initial months (Avg. % of jobs recovered after 'trough')







## Planning for economic recovery

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- ▶ There is no 'silver bullet'
- ▶ We are in a resource-constrained environment
- ▶ This crisis has deepened existing inequality
- ▶ Opportunity to strategically invest in State priorities



# Four categories of levers for Washington State to consider

Programs funded by the  
Operating budget

Investments funded by  
the Transportation Budget

Investments funded by  
the Capital Budget

Non-monetary policy levers



# We are compiling a 'long list' of potential ideas

Programs funded by the Operating budget

Provide loan guarantees to support small businesses

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Investments funded by the Transportation Budget

Fund the maintenance / preservation backlog of roads and bridges

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Investments funded by the Capital Budget

Expand funding for broadband to improve rural connectivity

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Non-monetary policy levers

Survey state assets to determine if opportunities for higher ROI

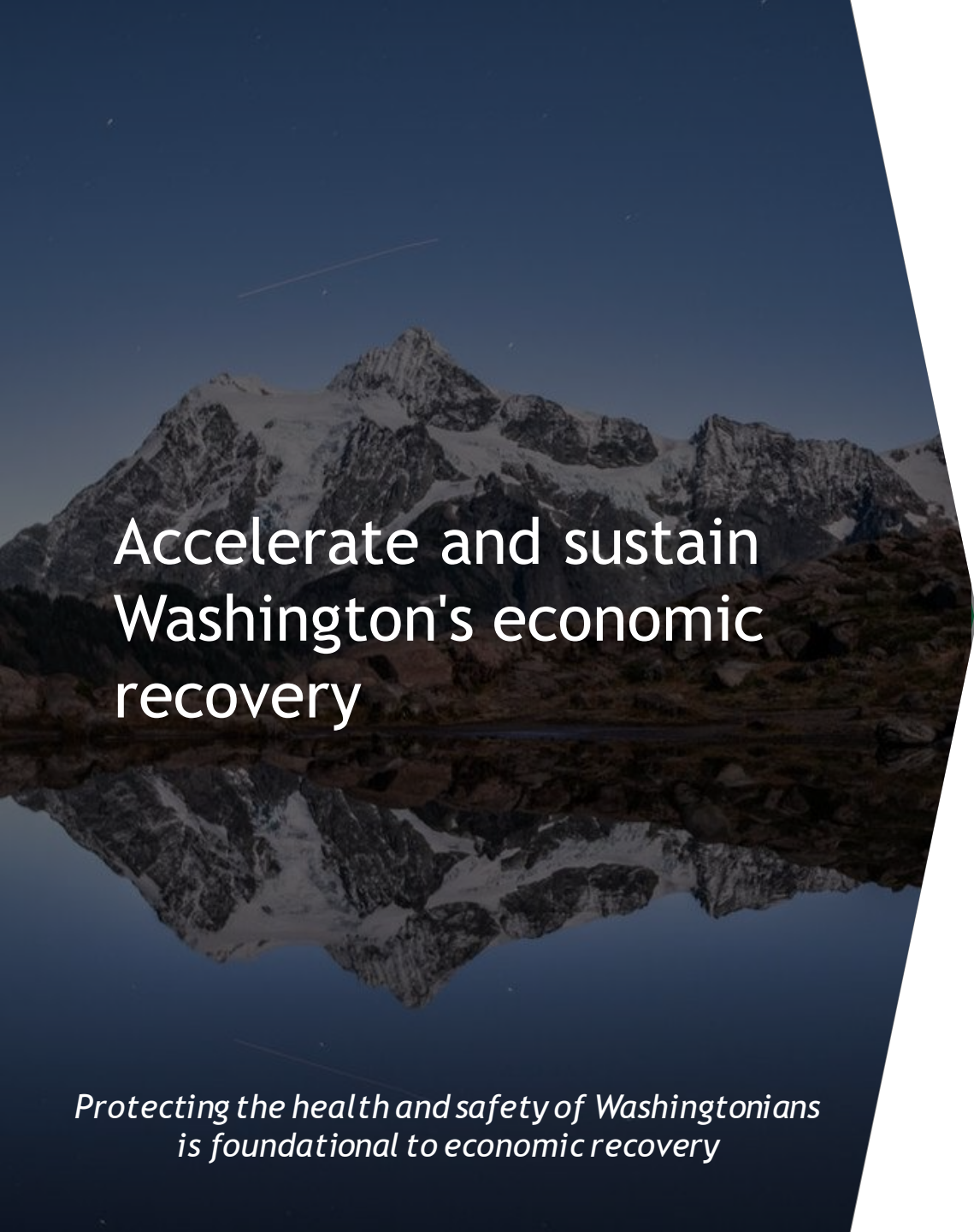
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## Example metrics to assess:

- Jobs created
- Long-term GDP impact
- Jobs / dollar invested
- Alignment to WA State priorities (e.g., trade, equity, sustainability)
- Feasibility







# Accelerate and sustain Washington's economic recovery

*Protecting the health and safety of Washingtonians  
is foundational to economic recovery*

**Maximize the impact** of limited State resources

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**Tailor the approach** to recover jobs and grow economy considering regional & industry needs

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**Ensure an equitable recovery** that supports disadvantaged people & communities

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**Keep Washington State priorities** front and center, such as maritime and sustainability

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**Strategically invest in innovation** to grow the state's long-term advantage

# COVID-19 Disclaimer

The situation surrounding COVID-19 is dynamic and rapidly evolving, on a daily basis. Although we have taken great care prior to producing this presentation, it represents BCG's view at a particular point in time. This presentation is not intended to: (i) constitute medical or safety advice, nor be a substitute for the same; nor (ii) be seen as a formal endorsement or recommendation of a particular response. As such you are advised to make your own assessment as to the appropriate course of action to take, using this presentation as guidance. Please carefully consider local laws and guidance in your area, particularly the most recent advice issued by your local (and national) health authorities, before making any decision.